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As a Biodiesel Manufacturer, what permits will I need from the Michigan Department of Environmental Quality?

The biodiesel sector is growing in Michigan, and the DEQ receives many calls from facilities that want to engage in the manufacturing business. DEQ has various resources that would be useful to biodiesel manufacturers. One such resource is the [Michigan Manufacturers' Guide for Environmental, Health, and Safety Regulations](#). This guidebook consolidates environmental, health, and safety regulations into a handy reference document for Michigan manufacturers; it is available both online and can be purchased in hard copy from the DEQ. In addition, the DEQ has prepared a [permit and licensing guidebook](#) and a [checklist](#) to help facilities identify which permits are needed from the agency.

The DEQ permits needed for a biodiesel operation are often site-specific and based upon choices made by the company. For example, in the wastewater permit area, if the facility is served by a publicly operated treatment plant, then the facility may need a user permit from the treatment plant. In the alternative, they could choose to put in an onsite sewage disposal system (septic system) in which case they are subject to the DEQ's Groundwater Discharge Permit Program. Site characteristics will also determine the necessity of construction permits (i.e., presence of wetlands, flood plains, water bodies, and the size of earth disturbance).

Because of the choices involved in site selection/construction, operational variability, and the availability of infrastructure, it is recommended that facilities complete the [DEQ Permit Information Checklist](#). The screening questions in the checklist help identify activities that require a permit or license. The agency contact is listed on the checklist for further questions.

At a minimum, the following permit programs likely apply:

- Air Quality Permit to Install (see [Chapter 1](#) of the Michigan Manufacturers' Guide). Prior to installing, relocating, reconstructing, or modifying potential sources of air pollution, a Permit to Install, issued by the Air Quality Division (AQD) of the DEQ, may be required per Rule 201 of the Michigan Air Pollution Control Rules. If the air pollution sources are being installed at a new site, the Permit to Install must be issued prior to breaking ground. Rules 280 through 290 exempt specific insignificant sources of air pollution from the Permit to Install requirement. Please contact the appropriate AQD District Office to determine whether or not the proposed equipment and/or activities are exempt from the Permit to Install (Rule 201) requirement.
- Industrial Storm Water under the National Pollutant Discharge Elimination System (see [Chapter 3](#), Section 3.2.3.d, of the Michigan Manufacturers' Guidebook).
- Permits for the proper construction and operation of storage tanks (see [Chapter 4](#) of the Michigan Manufacturers' Guidebook). Another great resource for these permits is the U.S. Department of Energy publication [2004 Biodiesel Handling and Use Guidelines](#).

- [Uniform Liquid Industrial Waste Transporter](#) permit and registration if the facility will be picking up used cooking oils for the production process

In addition, if constructing the facility, the following likely apply:

- Permits for Construction Activities at or near the Land/Water Interface (see [Chapter 8](#) of the Michigan Manufacturers' Guidebook).
- Soil Erosion and Sedimentation Control/Construction Storm Water Permit for construction activities (see [Chapter 3](#), Section 3.2.3.b of the Michigan Manufacturers' Guidebook).

For more information, applications or instructions contact the DEQ Environmental Assistance line at 800-662-9278 or Email at deq-ead-env-assist@michigan.gov.

What Other DEQ Regulatory Programs May Apply?

There may be activities at the facility that do not require a permit or registration but are subject to environmental regulations. These requirements include notifications, recordkeeping, reporting, and planning.

Waste Management:

Biodiesel production facilities generating waste or using waste ingredients must:

- Meet waste generator requirements summarized in [Chapter 2](#) of the Manufacturers' Guidebook including notification, storage, labeling, shipping, and other requirements.
- Be a permitted and registered [Liquid Industrial Waste Transporter](#) and meet those requirements if they haul restaurant grease or wastes from other businesses to the facility.
- Notify the Waste and Hazardous Materials Division they are a liquid industrial waste designated facility along with any other regulated waste activities on the [form EQP 5150](#).
- Meet the designated facility requirements, including manifesting and recordkeeping. If someone is hauling their own restaurant grease to the facility in amounts of 55 gallons or less, sign the shipping record and keep a copy at least three years from shipment.

These requirements are under [Part 111, Hazardous Waste Management, of Act 451; Part 121, Liquid Industrial Waste, of Act 451; and the Hazardous Materials Transportation Act \(1998 PA 138\)](#).

SARA Title III Reporting:

[Chapter 5](#) of the Manufacturers' Guidebook covers SARA Title III Reporting. If you're required to have a Material Safety Data Sheet (MSDS) under the Occupational Safety and Health Act (OSHA) Hazard Communication Standard for materials onsite; and further if you have 10,000 pounds of these materials (equivalent to 1,200 gallons of water), then it is likely you are subject to these reporting requirements. Contact MIOSHA Consultation Education and Training Division at 517-322-1809 to discuss when an MSDS is required. For SARA Title III questions, you may call the Michigan SARA Title III Program at 517-373-8481 or Email at deq-ead-sara@michigan.gov.

Emergency Planning:

[Chapter 6](#) of the Manufacturers' Guidebook is about emergency planning and containment requirements. In general, if you have over 1,320 gallons aboveground storage capacity for all oils (including vegetable oils, animal fats, waste oils, recycled biodiesel, gasoline, heating oil, or other oil products), then the company would be subject to federal Spill Prevention Control and Countermeasure (SPCC) regulations and the state's Part 5 rules. These state rules also apply if you have a 660 gallon aboveground storage capacity of all oils and onsite storage and use of listed regulated materials when threshold management quantities are met. Requirements include spill containment, Pollution Incident Prevention Plans (PIPP), surveillance, and release reporting. For example, methanol storage must be in accordance with these rules when 220 pounds of methanol is stored outdoors or when 2,200 pounds are stored indoors. Depending on the flashpoint of ingredients or products, you may also be subject to emergency action plans under the flammable and combustible liquid rules. Refer to the [Emergency Planning web page](#) for more information.